

2020 MILLS ACT APPLICATIONS
 ASSESSOR PRELIMINARY VALUATIONS

As of July 1, 2020

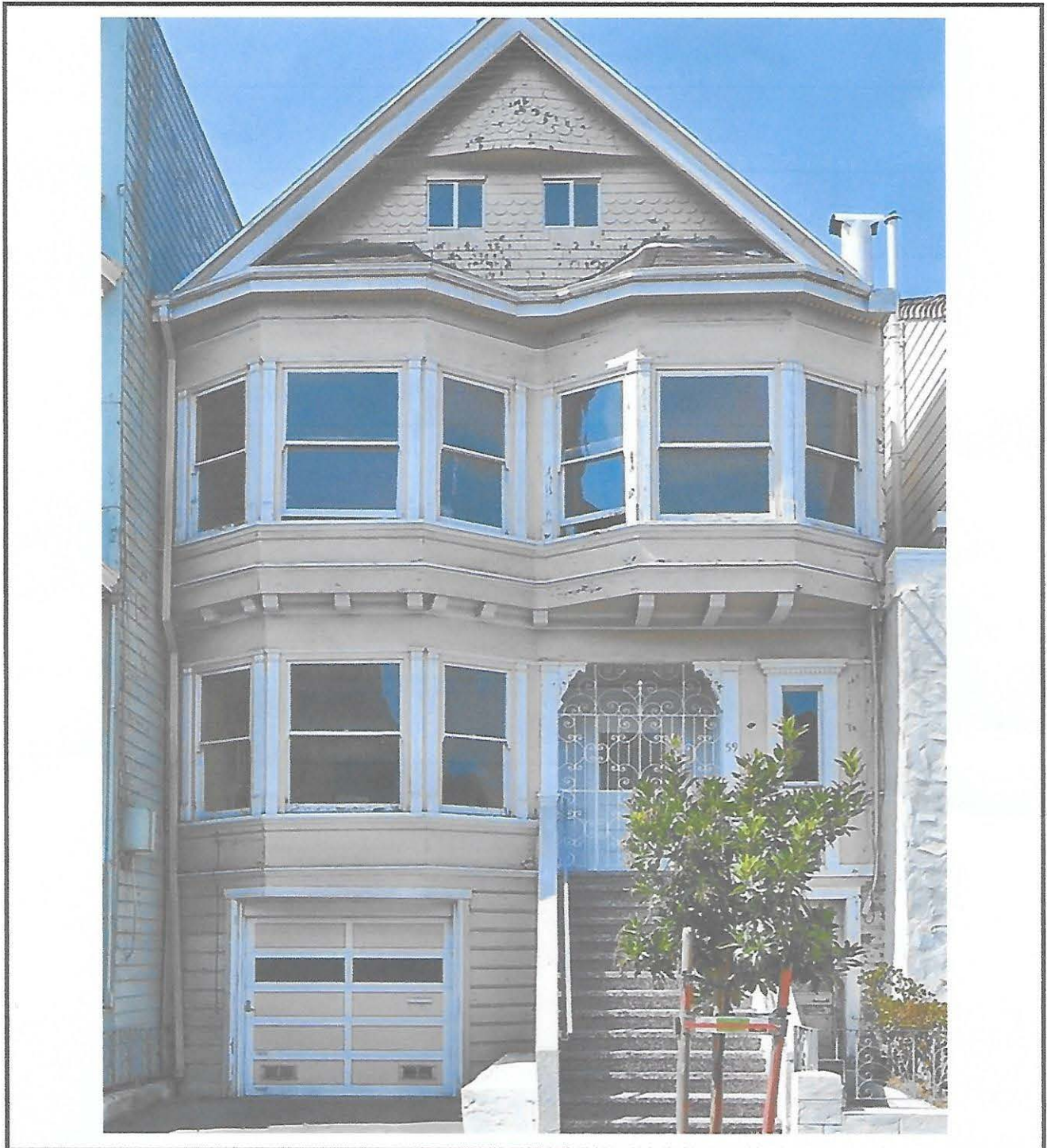
Upon recording of the Mills Act contract by December 31, 2020 the first year of the Mills Act Value will be for the 2021-2022 fiscal year

APN	Address	Property Type	Owner Occupied	Year Built	Square Feet	2020 Factored Base Year Value	Restricted Income Approach Value	Market Value	Taxable Mills Act Value	Reduction in Assessed Value	Percentage % Reduction From FBVY	2019 * Property Tax Rate	Estimated Property Taxes without Mills Act	Estimated Property Taxes with Mills Act	Estimated Property Tax Savings
0164-010	450 Pacific	Office	No	1907/2009	28,586	\$31,771,200	\$23,363,000	\$32,873,000	\$23,363,000	(\$8,408,200)	-26.46%	1.1801%	\$374,932	\$275,707	(\$99,225)
0865-008	59 Potomac	SFR	Yes	1899	1,751	\$2,594,940	\$632,000	\$2,650,000	\$632,000	(\$1,962,940)	-75.64%	1.1801%	\$30,623	\$7,458	(\$23,165)
1255-080	1315 Waller	SFR	Yes	1900/2018	3,164	\$3,392,672	\$1,658,342	\$4,000,000	\$1,658,342	(\$1,734,330)	-51.12%	1.1801%	\$40,037	\$19,570	(\$20,467)

- Remarks:
- (a) 2020 property tax rate will not be established until late September 2020
 - (b) Historical property contract must be recorded by December 31, 2020
 - (c) Mills Act valuation becomes effective as of January 1, 2021 for the Fiscal year July 1, 2021 to June 30, 2022



**Office of the Assessor / Recorder - City and County of San Francisco
Mills Act Valuation**



59 Potomac St

**OFFICE OF THE ASSESSOR-RECORDER - CITY & COUNTY OF SAN FRANCISCO
MILLS ACT VALUATION**

APN:	0865-008	Lien Date:	7/1/2020
Address:	59 Potomac St	Application Date:	4/30/2020
SF Landmark No.:	N/A	Application Term:	10 Years
Applicant's Name:	Jonathan Robert Dascola, Kamariah Sulaiman Dascola		
Agt./Tax Rep./Atty:	N/A	Last Sale Date:	10/18/2017
Fee Appraisal Provided:	No	Last Sale Price:	\$2,350,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$1,711,458	Land	\$379,200	Land	\$1,590,000
Imps.	\$883,482	Imps.	\$252,800	Imps.	\$1,060,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
Total	\$2,594,940	Total	\$632,000	Total	\$ 2,650,000

Property Description

Property Type:	Single Family	Year Built:	1899/In-Progress	Neighborhood:	Hayes Valley
Type of Use:	Single Family	(Total) Rentable Area:	1751	Land Area:	2,247
Owner-Occupied:	Yes	Stories:	2	Zoning:	RH-2
Unit Types:	Residential	Parking Spaces:	2		

Total No. of Units: 1

Special Conditions (Where Applicable)

Note, at the time of purchase, sellers noted that it needed remodel and renovation and had been owned by one family for 3 generations. The subject property currently has permit #201804196759 filed for: "3-story rear addition, includes a new family rm on 1st (ground) flr, a new kitchen on the 2nd flr, enlarged bedroom & new bath @ the 3rd flr. Also includes interior remodel of misc spaces, replacement of all (e) windows w/ in kind wood windows & repainting of (e) wood siding & trim." Work was estimated at 25% complete as of 1/1/2020.

The existing condition of the property was taken into consideration when selecting an estimated market rent, as the comparables selected all were in superior condition and marketed for immediate occupancy rather than remodeling and rehabilitation like the subject property.

The current condition of the property is also taken into consideration when selecting the REL (remaining economic life) and the land to improvements ratio. As the property is re-evaluated each year on the lien date and construction and remodeling of the property progresses to completion, the remaining economic life of the property will increase and the land to improvements ratio will also reflect this. The selected factors in this report are only for the initial year and will be re-evaluated in subsequent years.

Conclusions and Recommendations

	Per Unit	Per SF	Total
Factored Base Year Roll	\$2,594,940	\$1,482	\$ 2,594,940
Income Approach - Direct Capitalization	\$632,000	\$361	\$ 632,000
Sales Comparison Approach	\$2,650,000	\$1,513	\$ 2,650,000
Recommended Value Estimate	\$ 632,000	\$ 361	\$ 632,000

Appraiser: Irving Pham

Principal Appraiser: Orla Fahy

Date of Report: 7/1/2020

SUBJECT PHOTOGRAPHS AND LOCATOR MAP

Address: 59 Potomac St

APN: 0865-008





WALLER

	30	25	25	25	25	25	26	2
	90				2006 33to35	2017 45/47	90	
	20	21	22	23	2002 29/32	25	26	
	26	91.3	19				26	
	25		18	3			25	
	25		17	4			25	
	25		16	5			25	
	25		15	6			25	
	25		14	7			25	
	25		13	8			25	
	25		12	9			25	
	25		11	10	2002 26to28		26	
	91.3						90	

PIERCE

POTOMAC



DUBOCE PARK

INCOME APPROACH	
Address: 59 Potomac St	
Lien Date: 7/1/2020	

	<u>Monthly Rent</u>		<u>Annualized</u>	
Potential Gross Income	\$6,500	x	12	\$78,000
Less: Vacancy & Collection Loss			3%	(\$2,340)
Effective Gross Income				\$75,660
Less: Anticipated Operating Expenses (Pre-Property Tax)*			15%	(\$11,349)
Net Operating Income (Pre-Property Tax)				\$64,311

Restricted Capitalization Rate

2020 interest rate per State Board of Equalization			4.2500%	
Risk rate (4% owner occupied / 2% all other property types)			4.0000%	
2019 property tax rate **			1.1801%	
Amortization rate for improvements only				
Remaining economic life (Years) ***	40	0.0250	0.7499%	
Improvements constitute % of total property value	30%			10.1800%

RESTRICTED VALUE ESTIMATE**\$631,739****Rounded to the nearest \$10,000****\$632,000****Notes:**

- * *Annual operating expenses include water service, refuse collection, insurance, and regular maintenance items. Assumes payment of PG&E by lessee.*
- ** *The 2020 property tax rate will be determined in September 2020.*
- *** *Remaining economic life reflects the condition of the property as of the date of this report and will be revisited in subsequent years as progress on the NC #201804196759 permit*

Rent Comparables

Address: 59 Potomac St
Lien Date: 7/1/2020

Rental Comp #1



Rental Comp #2



Rental Comp #3



Rental Comp #4



Listing Agent: Hill & Co. Real Estate
Address: 261 Waller St
Cross Streets: Webster St
SF: 1,500
Layout: Single family home; 2br/2ba, 2 parking spaces
Monthly Rent: \$6,750
Rent/Foot/Mo: \$4.50
Annual Rent/Foot: \$54.00

Compass
Address: 1665 Pine St
Cross Streets: Octavia St
SF: 1,390
Layout: Single family home, 4br/2ba, 1 parking space
Monthly Rent: \$5,700
Rent/Foot/Mo: \$4.10
Annual Rent/Foot: \$49.21

Zillow Rental Network/AMSI
Address: 630 Broderick
Cross Streets: Fulton St
SF: 1,850
Layout: 1 unit in duplex; 4br/1.5ba, no parking
Monthly Rent: \$7,000
Rent/Foot/Mo: \$3.78
Annual Rent/Foot: \$45.41

Hill & Co. Real Estate
Address: 708 Ashbury St
Cross Streets: Waller St
SF: 4,758
Layout: Single family home; 4br/2.5ba, 2 parking spaces
Monthly Rent: \$8,250
Rent/Foot/Mo: \$1.73
Annual Rent/Foot: \$20.81

Rental Comp #5



Rental Comp #6



Listing Agent: Craigslis/RentlingSF
Address: 65 Stanyan St
Cross Streets: Anza St
SF: 2,415
Layout: Single family home; 4br/2.5ba, 2 car tandem parking
Monthly Rent: \$9,495
Rent/Foot/Mo: \$3.93
Annual Rent/Foot: \$47.18





Trulia/Gordon Property Management
Address: 472 Diamond St
Cross Streets: 22nd St
SF: 1,538
Layout: Single family home, 3br/2ba, 1 parking space
Monthly Rent: \$7,500
Rent/Foot/Mo: \$4.88
Annual Rent/Foot: \$58.52

Note: Most weight is placed upon rent comparable #1 due to similarity to subject property in size and location.

The existing condition of the property was taken into consideration when selecting an estimated market rent, as the comparables selected all were in superior condition and marketed for immediate occupancy rather than remodeling and rehabilitation like the subject property.

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SALES COMPARISON APPROACH

	Subject	Sale 1		Sale 2		Sale 3	
APN	0865-008	3538 065		0858 005		0869 036	
							
Address	59 Potomac St	42 Walter St		222 Waller St		231 Waller St	
		\$2,600,000		\$2,875,000		\$3,210,000	
	Description	Description	Adjust.	Description	Adjust.	Description	Adjust.
Date of Valuation/Sale	07/01/20	12/03/19		08/01/19		11/08/19	
Neighborhood	Hayes Valley	Duboce Park		Hayes Valley		Hayes Valley	
Proximity to Subject		0.2 mile S		0.3 mile E		0.3 mile E	
Lot Size	2,247	2,495		2,295		3,297	(\$52,500)
View	Neighborhood	Neighborhood		Neighborhood		Neighborhood	
Year Blt/Year Renovated	1899/In-Progress	1900		1900/2002		2015	
Condition	Fixer	Fixer		Remodeled	(\$143,750)	Remodeled	(\$160,500)
Construction Quality	Average	Average		Average		Average	
Gross Living Area	1,751	1,756		1,820		2,535	(\$313,600)
Total Rooms	7	8		7			
Bedrooms	4	3		3		3	
Bathrooms	1	1		2.5	(\$60,000)	2	(\$40,000)
Stories	2	2		2		2	
Parking	2	1 car	\$100,000	2 car		2 car	
Net Adjustments			\$100,000		(\$203,750)		(\$566,600)
Indicated Value			\$2,700,000		\$2,671,250		\$2,643,400
Adjust. \$ Per Sq. Ft.	\$0		\$1,538		\$1,468		\$1,043

VALUE RANGE: \$2,643,400 to \$2,700,000

VALUE CONCLUSION: \$2,650,000

REMARKS: Used \$400 sq ft for GLA adjustments, \$40,000 for Bath, \$100,000 for Parking